

AN ACT

---

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

---

*Codification  
District of  
Columbia  
Official Code*

**2001 Edition**

**2002 Winter  
Supp.**

**West Group  
Publisher**

To amend, on a temporary basis, the Tax Clarity Act of 2000 to permit the Chief Financial Officer 2 additional years to implement the new taxation of possessory interests in immune real property; to amend the National Capital Revitalization Corporation Act of 1998 to clarify that real property owned by the National Capital Revitalization Corporation or any not-for-profit subsidiary is exempt from taxation until the time of its sale, lease, or transfer to a person other than the Corporation or any not-for-profit subsidiary; to amend the Economic Development Zone Incentives Amendment Act of 1988 to make technical changes; to amend An Act Authorizing the sale of certain real property in the District of Columbia no longer required for public purposes to authorize the Mayor to sell without Council approval real property acquired through tax sale for purposes of neighborhood revitalization; to amend the Limited Liability Company Act of 1994 to clarify that limited liability companies may be considered disregarded entities for District of Columbia income and franchise taxation only; to amend the District of Columbia School Reform Amendment Act of 1995 to repeal a redundant sales and property tax exemption provision relating to charter schools; to amend An Act To establish a code of law for the District of Columbia to clarify that address changes of real property owners may be effectuated at the Office of Tax and Revenue without a fee, and to clarify that the authority over taxation matters has been transferred to the Chief Financial Officer, and to permit the Recorder of Deeds to accept electronic lien filings by taxing agencies of the District of Columbia; to repeal An Act To amend, revise, and reenact section 549 of subchapter 4 of the Code of the District of Columbia relating to the appointment of a Deputy Recorder of Deeds, and fixing the compensation therefor to eliminate provisions regarding positions at the Recorder of Deeds rendered moot since the reorganization and integration of the Recorder of Deeds into the Office of Tax and Revenue; to amend the District of Columbia Deed Recordation Tax Act to limit the exemption from recordation taxes to those entities to a categorical real property tax exemption, to provide that the United States and the District of Columbia shall be liable for recordation or transfer taxes when permitted, to provide recordation and transfer tax relief to divorced spouses, to provide recordation and transfer tax relief for 30-year leases to entities which would be entitled to such relief if the fee simple interest were conveyed, to provide that the recordation tax return shall not be confidential unless

otherwise provided by regulation, and that such return may be integrated into the deed, to provide that the United States or the District of Columbia is not jointly and severally liable for recordation or transfer taxes with the taxable grantor or grantee, to provide that the deed recordation and transfer tax return is due within 30 days from the execution of the deed, to repeal inconsistent and redundant recordation and transfer tax collection, penalty, interest, summons, and criminal provisions, and to apply the general provisions of chapters 41, 42, 43 and 44 of Title 47 of the District of Columbia Official Code; to amend An Act Providing for expenses of the offices of recorder of deeds and register of wills of the District of Columbia to authorize additional uses for the Recorder of Deeds Automation and Infrastructure Improvement Fund; to amend Title 47 of the District of Columbia Official Code to clarify that the Chief Financial Officer issues regulations concerning the Recorder of Deeds, to permit the Chief Financial Officer to issue certified statements of taxes owing on real properties via an electronic medium, to permit the Chief Financial Officer to issue regulations for Chapter 4, to clarify the definition of real property for purposes of assessment, billing, and appeals as real property described by the Office of Tax and Revenue, to clarify that although a long-term lessee is not an owner of real property, appeals, billing, and notification rights have been extended to such lessee for purposes of Chapter 8, to clarify that the Chief Financial Officer may refund real property taxes paid by an institution pending a favorable exemption determination by the Chief Financial Officer, to authorize the Chief Financial Officer to abate penalty and interest for the late payment of real property tax, or to compromise real property tax where there is doubt as to liability or collectibility, to require the Chief Financial Officer to provide assessment worksheets with the first level appeal notice only if there is an increase or decrease in the assessment, to repeal the specific summons authority under Chapter 8, to clarify that there is no statute of limitations when the owner of real property has a duty to notify the Chief Financial Officer of a cessation of eligibility for a deduction, classification, or exemption and fails to so notify, to clarify that, for purposes of tax abatements for new residential developments and the definition of “eligible area #1,” the definition of “Downtown” includes property with a street frontage on the defined area; to provide for the general application to Chapter 8, Chapter 41, and certain provisions of Chapter 44 relating to criminal enforcement and collections, to provide authority to the Office of Tax and Revenue to collect fees for the production of real property data and maps on an electronic medium or in a tangible format, and retain the fees paid therefor in a special fund, to clarify that real property tax petitions and appeals are not subject to the Office of Administrative Hearings Establishment Act of 2001, to clarify that a deed may not be recorded unless the recordation and transfer tax, and any penalty for late recordation, have been paid, to clarify that the Chief Financial Officer issues regulations concerning transfer taxation, to clarify that real property of the United States of America shall be taxed when permitted, to clarify that real property of the District of Columbia shall be taxed when permitted, to repeal an outdated exemption

provision applying to the Commonwealth of the Philippines, to conform the collection of delinquent payments in lieu of real property taxes to the Tax Clarity Act of 2000, to provide the Chief Financial Officer with additional methods for calculating the value of a possessory interest in a real property immune from taxation, and to authorize the assessment of escaped leases or uses, to extend the filing deadline for the real property exempt use report by one day, to clarify that the Chief Financial Officer promulgates regulations relating to real property tax exemptions, to clarify that the exemption for Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital Corporation includes personal property and to clarify the mechanism by which the Mayor certifies compliance with § 47-1050(b), to provide that a lien transferee shall provide timely the Office of Tax and Revenue with a payoff statement upon demand therefor, and failure to so provide the statement shall result in forfeiture of the transferee's interest, to provide that lien transferees shall commence foreclosure proceedings before October 1, 2002 to bring closure to the 1996 securitization of real property tax liens, to clarify that the Chief Financial Officer promulgates regulations relating to real property tax sales, to clarify that interest accrues after a tax sale at the rate of 1.5% per month or portion thereof, to clarify that regulatory authority concerning real property tax sales rests with the Chief Financial Officer, to compensate the agency conducting the tax sale for the use of its resources, to clarify that a notice of impending tax sale (final notice) to the owner may include the amount owing on an attached bill, to provide that the final notice to the owner may be similar to the notice provided in the Tax Clarity Act of 2000, to clarify that the final notice is not required to be mailed to the owner, to provide that if a real property is not presented at tax sale due to payment which is later refused, the real property shall be deemed bid off, to eliminate the requirement that a tax sale purchaser shall have \$100 on deposit in order to bid, to limit the forfeiture of an overbidding tax sale purchaser to 20% of the deposit, to clarify that a certificate of sale need only be similar to the form provided for in Chapter 13A, to clarify that a certificate of sale is not required to be acknowledged, to provide to the District of Columbia a revitalization method for the rehabilitation of existing improvements or construction of new improvements on real property bid back to the District of Columbia for sale thereafter to homeowners, to delete a reference to a repealed provision to clarify that a tax sale purchaser may pay taxes other than those taxes for which the real property was sold at tax sale, to clarify that the District of Columbia or an instrumentality thereof shall be reimbursed by the person redeeming for improvements made to vacant or abandoned real property sold at tax sale, to clarify that a tax sale purchaser cannot prevent the District of Columbia from abating nuisances occurring on a tax sale property, to provide that a tax sale purchaser shall only be notified by another tax sale purchaser's foreclosure of the right of redemption if the tax sale purchaser records his certificate of sale with current mailing address, to provide that if fraud exists on the part of a tax sale purchaser, the Superior Court may set aside the sale of the real property notwithstanding the owner's

inability to redeem the real property, to provide that an outstanding promissory note to the District of Columbia under the revitalization for home ownership program shall survive a tax deed, to eliminate the penalty for failing to record a security instrument within 30 days and to extend the penalty for failure to record a deed within 30 days to include dealers, to clarify that political organizations must file and pay taxes on their income taxable under section 527 of the Internal Revenue Code of 1986, to correct an inconsistency with the Internal Revenue Code of 1986 regarding consolidated income tax returns, to clarify that exempt organizations with unrelated business income or income subject to tax under section 527 of the Internal Revenue Code of 1986 shall file a franchise tax return, to clarify that out-of-state catalog sales are subject to the compensating use tax, to provide that exemptions for sales by the government shall be fixed by regulation, to clarify that the Chief Financial Officer has authority to issue regulations for the gross sales tax and compensating use tax, to clarify that the lower income home ownership 5-year real property tax exemption applies to first-time home buyers, to limit the lower income home ownership exemption to properties worth \$250,000 or less, to limit the lower income home ownership exemption to households which continue to meet the income requirements, to provide for a collection method for improper lower income home ownership exemptions, to clarify that the Chief Financial Officer may issue regulations under Chapter 41, to clarify that a 75% undervaluation is a gross undervaluation for purposes of penalty assessments under Chapter 42, to clarify that a 50% undervaluation is a substantial undervaluation for purposes of penalty assessments under Chapter 42, to increase the threshold from \$100 to \$1000 before liability for underpayment of estimated tax is incurred by corporations, financial institutions, and unincorporated businesses, to provide that the penalty for the late recordation of a deed may be abated for reasonable cause, to clarify that the tolling of interest and penalty if an audit adjustment notice is not sent within one year of filing applies only to individual income tax returns, to provide that there is no statute of limitations to assess transfer and recordation taxes when a real property tax exemption application has been filed, to provide that there is no statute of limitations to refund transfer and recordation taxes when a real property tax exemption application has been filed and subsequently approved, to make a technical amendment to conform the reference to deed recordation and transfer taxes to the 2001 recodification, to clarify the status of the lien for the nonpayment of transfer and recordation taxes, to clarify that bulk sales applies personal property and not real property, to exempt the levy upon bank accounts from a notice provision (related to the collection of non-real property taxes) which would frustrate the ability to so collect; to repeal the Conservation Easement Deed of Gift Clarification Amendment Act of 2002 and to amend the District of Columbia Uniform Conservation Easement Act of 1986 to clarify that deductions allowed for the contribution of qualified conservation easements under the Internal Revenue Code are allowable as deductions under § 47-1803.03; and to amend the Kings Court Community

**ENROLLED ORIGINAL**

Garden Equitable Real Property Tax Relief Act of 2002 to provide that the transfer of this land to the nonprofit Capitol Hill Community Garden Land Trust shall not be subject to recordation and transfer taxes and to exempt the property from taxation after the transfer of the land to the Capitol Hill Community Garden Land Trust has been executed.

Note,  
§ 47-829  
§ 47-1005.01

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Tax Clarity and Related Amendments Temporary Act of 2002".

Note,  
§ 2-1219.07

Sec. 2. Section 509 of the Tax Clarity Act of 2000, effective June 9, 2001 (D.C. Law 13-305; D.C. Official Code §§ 47-829, 47-1005.01, note), is amended by striking the phrase "September 30, 2001" and inserting the phrase "September 30, 2003" in its place.

Sec. 3. Section 8(c) of the National Capital Revitalization Corporation Act of 1998, effective September 11, 1998 (D.C. Law 12-144; D.C. Official Code § 2-1219.07(c)), is amended to read as follows:

"(c) Real property owned by the Corporation or any not-for-profit subsidiary thereof shall be exempt from taxation; provided, that when the real property is sold or leased by the Corporation or any not-for-profit subsidiary thereof to a person other than the Corporation or any not-for-profit subsidiary thereof, the real property shall be subject to taxation from the date of transfer by the Corporation or any not-for-profit subsidiary thereof."

Note,  
§ 6-1504

Sec. 4. Section 5(d) of The Economic Development Zone Incentives Amendment Act of 1988, effective October 20, 1988 (D.C. Law 7-177; D.C. Official Code § 6-1504(d)), is amended as follows:

Note,  
§ 10-801

(a) Paragraph (1) is amended by striking the phrase "§§ 47-1807.04 and 47-1807.05" and inserting the phrase "§§ 47-1807.04, 47-1807.05, and 47-1807.06" in its place.

(b) Paragraph (2) is amending by striking the phrase "§ 47-1808.04" and inserting the phrase "§ 47-1808.07" in its place.

Sec. 5. Section 1 of An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801), is amended by adding a new subsection (m) to read as follows:

Note,  
§ 29-1074

"(m) The provisions of this act shall not apply to real property acquired by the District or an instrumentality of the District (or a subsidiary thereof) under D.C. Official Code § 47-1353(a)(3)."

Note,  
§ 38-1802.10

Sec. 6. Section 75 of the Limited Liability Company Act of 1994, effective July 23, 1974 (D.C. Law 10-138; D.C. Official Code § 29-1074), is amended by striking the phrase "For

**ENROLLED ORIGINAL**

purposes of District taxation,” wherever it appears and inserting the phrase “For purposes of District income and franchise taxation,” in its place.

Sec. 7. Section 2210(b) of the District of Columbia School Reform Amendment Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1802.10(b)), is repealed.

Note,  
§ 42-405

Sec. 8. An Act To establish a code of law for the District of Columbia, approved March 8, 1901 (31 Stat. 1189; codified in scattered sections of the D.C. Official Code), is amended as follows:

(a) Section 499d (D.C. Official Code § 42-405) is amended as follows:

(1) A new subsection (b-1) is added to read as follows:

“(b-1) Notwithstanding subsection (a) of this section, an owner, as defined under D.C. Official Code § 47-802(5), may notify the Office of Tax and Revenue of an address change in lieu of filing with the Recorder of Deeds. The notice shall identify the real property by square, suffix and lot, parcel and lot, or reservation and lot, and shall specify the interest held in the real property.”.

Note, Repeal  
§ 42-1201 -  
42-1203

Note,  
§ 42-407

(2) Subsection (c) is amended by striking the phrase “Department of Finance and Revenue” and inserting the phrase “Office of Tax and Revenue” in its place.

(3) Subsection (d) is amended by striking the phrase “Mayor shall” and inserting the phrase “Chief Financial Officer may” in its place.

(b) Sections 548, 549, and 550 (D.C. Official Code §§ 42-1201 through 42-1203) are repealed.

(c) Section 555 (D.C. Official Code § 42-407) is amended to read as follows:

“The Recorder of Deeds shall not:

“(1) Accept for recordation any instrument unless the instrument is executed and acknowledged according to law by the person granting or contracting his or her right, title, or interest in the real property;

“(2) Accept for recordation any deed, as defined in section 301(c) of the District of Columbia Deed Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1101(3)), concerning real property in connection with which taxes, assessments, or charges are owing under sections 301 through 324, under chapters 9 and 14 of Title 47 of the District of Columbia Official Code, or to a taxing agency as defined in D.C. Official Code § 47-1330(8); provided, that this paragraph shall not:

“(A) Act to bar collection of the delinquent taxes, assessments, or charges; and

“(B) Apply to real property acquired by the District, receiving assistance under the Distressed Properties Improvement Program established pursuant to section 804 of the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3508.04), or encumbered by an instrument securing payment of a promissory note executed

Note, Repeal  
§ 42-1204

under D.C. Official Code § 47-1353(a)(3); or

“(3) Require liens filed by a taxing agency as defined in D.C. Official Code § 47-1330(8), or liens filed under D.C. Official Code § 47-4421, to be acknowledged; provided, that when a lien is delivered to the Recorder of Deeds via an electronic medium or first accessible via the Internet, the lien shall be deemed filed and recorded, notwithstanding any other law.”.

Note,  
§ 42-1102

Sec. 9. An Act To amend, revise, and reenact section 549 of subchapter 4 of the Code of the District of Columbia relating to the appointment of deputy recorder of deeds, and fixing the compensation therefor, approved March 3, 1925 (43 Stat. 1102; D.C. Official Code § 42-1204), is repealed.

Sec. 10. The District of Columbia Deed Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1101 *et seq.*), is amended as follows:

(a) Section 302 (D.C. Official Code § 42-1102) is amended as follows:

(1) Paragraph (1) is repealed.

(2) Paragraph (2) is amended by striking the phrase "America;" and inserting the phrase "America, unless its taxation has been authorized by Congress;" in its place.

(3) Paragraph (3) is amended to read as follows:

“(3) Deeds to real property acquired by an institution, organization, corporation, or government entitled to exemption from real property taxation under D.C. Official Code § 47-1002 (or exempt from recordation taxes under a law of the United States of America or the District of Columbia); provided, that, unless waived by regulation, a copy of a filed real property tax exemption application accompanies the deed at the time of recordation;”.

(4) Paragraph (21) is amended by striking the phrase “or Class 2 Property, as those classes of property are established pursuant to section 412a of the District of Columbia Real Property Tax Revision Act of 1974, approved September 3, 1974 (88 Stat. 1051; D.C. Code § 47-813),” wherever it appears and inserting the phrase “, as that class of property is established pursuant to D.C. Official Code § 47-813(c-4)” in its place.

(5) New paragraphs (25) and (26) are added to read as follows:

“(25) Deeds executed pursuant to a decree of divorce or of separate maintenance or pursuant to a written instrument incident to such divorce or separation.

Note,  
§ 42-1103

“(26) Deeds to an entity described in paragraph (3) of this section of a lease or ground rent for a term, including renewals, that is at least 30 years; provided, that if the entity were the owner of the real property in which the possessory interest is conveyed, the real property would have been entitled to exemption from real property taxation under D.C. Official Code § 47-1002; provided further, that, unless waived by regulation, a copy of a filed real property tax exemption application accompanies the deed at the time of its offer for recordation.”.

(b) Section 303 (D.C. Official Code § 42-1103) is amended as follows:

(1) Subsection (b) is amended to read as follows:

**ENROLLED ORIGINAL**

“(b)(1) Each such deed shall be accompanied by a return in such form as the Chief Financial Officer may prescribe, executed by all parties to the deed, setting forth the consideration for the deed or debt secured by the deed, and such other information as the Chief Financial Officer may require.

“(2) The return shall be an integral part of the deed when prescribed and as required by regulation.

“(3) The return shall not be confidential or subject to the provisions of D.C. Official Code §§ 47-1805.04 and 47-4406, unless otherwise provided by regulation.”.

(2) Subsection (c) is amended by striking the phrase “subject to such liability” and inserting the phrase “jointly and severally liable with the transferee” in its place.

(3) Subsection (d) is amended to read as follows:

“(d) The deed and accompanying return shall be due as prescribed in D.C. Official Code § 47-1431(a) for the recordation of a deed; provided, that if the deed and return are submitted to the Recorder of Deeds before the due date, the return shall be due and taxes shall be due and owing at the time of submission.”.

(c) A new section 308a is added to read as follows:

“This title shall be enforced in accordance with the provisions of chapters 41, 42, 43 and 44 of Title 47 of the District of Columbia Official Code, including criminal enforcement, imposition or abatement of penalties and interest, administration of this title, and collection of taxes imposed hereunder.”.

(d) Section 314 (D.C. Official Code § 42-1114) is amended by striking the phrase “by the Commissioners under the provisions of section 308 of this title” and inserting the phrase “by the Chief Financial Officer” in its place.

(e) Section 317 (D.C. Official Code § 42-1117) is amended by striking the phrase “Mayor shall” and inserting the phrase “Chief Financial Officer may” in its place.

(f) Sections 305, 306, 308, 309, 310, 311, 312, 313, 315, 316, 318 and 320 (D.C. Official Code §§ 42-1105, 42-1106, 42-1108 through 42-1113, 42-1115, 42-1116, 42-1118, and 42-1120) are repealed.

Sec. 11. Section 3 of An Act Providing for expenses of the offices of recorder of deeds and register of wills of the District of Columbia, effective April 12, 1997 (D.C. Law 11-257; D.C. Official Code § 42-1214), is amended as follows:

(a) Subsection (a) is amended as follows:

(1) Strike the phrase “section 4 of the District of Columbia Accounting Fund Act of 1980, effective June 14, 1980 (D.C. Law 3-70; D.C. Official Code § 47-373)” and insert the phrase “D.C. Official Code §§ 47-373, 47-876, and 47-1340(h)” in its place.

(2) Strike the phrase “and used solely for the purposes designated in this section.” and insert the phrase “, and used solely for the purposes designated in this section and as described in subsection (b-1) of this section.” in its place.

(b) A new subsection (b-1) is added to read as follows:

Note, New  
§ 42-1108.01

Note,  
§ 42-1114

Note,  
§42-1117

Note, Repeal  
§§ 42-1105,  
42-1106, 42-  
1108-42-1113,  
42-1115, 42-  
1116, 42-  
1118, 42-1120

Note,  
§ 42-1214

**ENROLLED ORIGINAL**

“(b-1) Notwithstanding subsection (b) of this section, revenues accounted for and deposited into the Fund under the authority of D.C. Official Code §§ 47-876 and 47-1340(h), together with interest accruing thereon, shall be used solely and exclusively by the Real Property Tax Administration of the Office of Tax and Revenue for the purposes under which the revenue was charged and collected.”.

(c) Subsection (d) is amended by striking the phrase “subsection (b)” and inserting the phrase “subsections (b) and (b-1)” in its place.

(d) Subsection (e) is amended as follows:

(1) Strike the phrase “Recorder of Deeds” wherever it appears and insert the phrase “Real Property Tax Administration of the Office of Tax and Revenue” in its place.

(2) Strike the phrase “subsection (b)” and insert the phrase “subsections (b) and (b-1)” in its place.

Note,  
§ 47-405

Sec. 12. Title 47 of the District of Columbia Code is amended as follows:

(a) The table of contents for Chapter 4 is amended as follows:

(1) Add the section designation “47-415. Regulations.” after the section designation “47-414. Repealed.”.

(2) Strike the section designation “47-445. Rules and regulations.” and insert the section designation “47-445. Repealed.” in its place.

(b) Section 47-405 is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Strike the phrase “Mayor” wherever it appears and insert the phrase “Chief Financial Officer” in its place.

(B) Strike the phrase “a fee” and insert the phrase “a fee fixed by the Chief Financial Officer” in its place.

(2) Subsection (b) is amended by striking the phrase “This section” and inserting the phrase “Subsection (a) of this section” in its place.

(3) New subsections (c) and (d) are added to read as follows:

“(c) This section shall not apply to taxes owed, or which shall be owed, under §§ 47-850.02(c)(2) or 47-863(g)(2).

“(d) The certified statement may be furnished in the form of a physical certificate or via an electronic medium, at the discretion of the Chief Financial Officer. When furnished via an electronic medium, a digital signature shall be deemed a signature and official seal for purposes of subsection (a) of this section; provided, that in the absence of the digital signature, the last update to the electronic file as evidenced by the records of the Chief Financial Officer, immediately prior to transfer of the real property for which the certified statement was obtained, shall be deemed the certified statement.”.

(c) A new section 47-415 is added to read as follows:

“§ 47-415. Regulations.

“The Chief Financial Officer may promulgate regulations to carry out the purposes of this

Note,  
§ 47-415

Note, Repeal  
§ 47-445

Note,  
§ 47-802

chapter.”.

(d) Section 47-445 is repealed.

(e) The table of contents for Chapter 8 is amended as follows:

(1) Add the section designation “§ 47-811.04. Abatement of penalty and interest; compromise.” after the section designation “§ 47-811.03. Real Property tax abatement for certain commercial properties.”.

(2) Strike the section designation “47-826. Same - Power to administer oaths or affirmations and summon witnesses; witness fees; examination of witnesses.” and insert the section designation “47-826. Repealed.” in its place.

Note,  
§ 47-811.02

(3) Add the section designations “47-875. Applicability of other provisions to this chapter.”, “47-876. Costs for records and data; miscellaneous charges.”, and “47-877. Appeals under this chapter.” after the section designation “47-874. Regulations.”.

(f) Section 47-802 is amended as follows:

Note, New  
§ 47-811.04

(1) Paragraph (1) is amended by striking the phrase “of the District of Columbia Surveyor according to lot and square” and inserting the phrase “and cadastral maps of the Office of Tax and Revenue according to square, parcel or reservation and lot,” in its place.

(2) Paragraph (5) is amended as follows:

(A) Strike the word “include” and insert the word “mean” in its place.

(B) Strike the phrase “deemed the owner” and insert the phrase “deemed the owner for purposes of receiving notices of proposed assessed value, receiving bills, and filing any petition or appeal under this chapter” in its place.

(g) Section 47-811.02(b) is amended as follows:

(1) Paragraph (3) is amended by striking the word “or”.

(2) Paragraph (4) is amended by striking the phrase “§ 47-1007.” and inserting the phrase “§ 47-1007; or” in its place.

(3) A new paragraph (5) is added to read as follows:

“(5) The refund results from the grant of a real property tax exemption.”.

Note,  
§ 47-825.01

(h) A new section 47-811.04 is added to read as follows:

“§ 47-811.04. Abatement of penalty and interest; compromise.

“The Chief Financial Officer may:

“(1) In his discretion, waive in whole or in part, interest or penalties, or both, on unpaid taxes levied under this chapter and due to the District of Columbia, when, in his or her judgment, it would be equitable, just, or in the public interest; or

Note, Repeal  
§ 47-826

“(2) Compromise taxes levied under this chapter if there is reasonable doubt as

Note,  
§ 47-831

to:

“(A) The liability of the real property or taxpayer; or

“(B) The collectibility of the tax; provided, that:

“(i) The real property shall be transferred to a new owner who is wholly unrelated to the owner; and

Note,  
§ 47-457.01

“(ii) Subordinate liens shall be released before the tax is

compromised.”.

(i) Section 47-825.01(f-1)(2) is amended as follows:

(1) Strike the phrase “rationale for the determination” and insert the phrase “rationale for the determination, if the assessment is raised or lowered” in its place.

(2) Strike the phrase “worksheets relating thereto are” and insert the phrase “worksheets relating thereto (if required) are” in its place.

(j) Section 47-826 is repealed.

(k) Section 47-831 is amended as follows:

(1) The existing text is designated as subsection (a).

(2) A new subsection (b) is added to read as follows:

“(b) This section shall not apply when the owner has a duty to notify the Chief Financial Officer of the cessation of eligibility for a deduction, classification, or exemption.”.

(l) Section 47-857.01(2)(A) is amended to read as follows:

"(2)(A) Real property within or with a street frontage in the area known as Downtown, as described in section 199 of Title 10 of the District of Columbia Municipal Regulations (10 DCMR § 199) and as designated on the District of Columbia Generalized Land Use Policies Map; and"

(m) New sections 47-875, 47-876, and 47-877 are added to read as follows:

“§ 47-875. Applicability of other provisions to this chapter.

“The provisions of Chapter 41, §§ 47-4310 and 47-4311, §§ 47-4431 through 47-4440, and § 47-4452(a) shall apply to this chapter. No other provisions of chapters 42, 43 and 44 shall apply to this chapter.

“§ 47-876. Costs for records and data; miscellaneous charges.

“The Chief Financial Officer may establish and collect costs related to the compilation and production of records, data and maps in electronic media or tangible formats. The Chief Financial Officer may also establish and collect charges, including royalties, pursuant to contract for goods and services and the licensing of intellectual property rights. Costs and charges collected under this section shall be deposited into the Recorder of Deeds Automation and Infrastructure Improvement Fund under § 42-1214.”.

“§ 47-877. Appeals under this chapter.

"Petitions and appeals under this chapter shall not be deemed adjudicated cases for the purposes of §§ 2-1831.01 through 2-1831.16.”.

(n) The table of contents for Chapter 9 is amended as follows:

(1) Strike the section designations “47-905. Investigation by the Mayor to determine correctness of documents, production of books and records; examination of witnesses; service of summons; punishment for disobedience.”, “47-906 Conditions for recordation.”, “47-908. Deficiencies in tax; notice of determination; protest; hearing; time for payment.”, and “47-909. Interest; waiver; extension of time for payment.” and insert the section designations “47-905. Repealed.”, “47-906. Repealed.”, “47-908. Repealed.”, and “47-909. Repealed” in their place.

Note, New §§ 47-875, 47-876, 47-877

Note, § 47-902

(2) Strike the section designation “47-915. Refunds; collection.” and insert the section designation “47-915. Repealed.” in its place.

(3) Strike the section designations “47-920. Issuance of rules and regulations for administration of chapter.”, “47-921. Severability; savings clause.”, and “47-922. Effective date.” and insert the section designations “47-920. Repealed.”, “47-921. Repealed.”, and “47-922. Repealed.” in their place.

(o) Section 47-902 is amended as follows:

(1) Paragraph (1) is repealed.

(2) Paragraph (2) is amended by striking the phrase "governments;" and inserting the phrase "governments, unless its taxation has been authorized by Congress;" in its place.

Note,  
§ 47-903

(3) Paragraph (3) is amended to read as follows:

“(3) Transfers of real property by an institution, organization, corporation, or government receiving a valid real property tax exemption for the real property under § 47-1002 (or exempt from transfer taxes under a law of the United States of America or the District of Columbia);”.

(4) Paragraph (4) is repealed.

(5) Paragraph (18) is amended by striking the phrase "; and" and inserting a semicolon in its place.

(6) Paragraph (19) is amended by striking the period at the end and inserting a semicolon in its place.

(7) New paragraphs (20) and (21) are added to read as follows:

“(20) Transfers pursuant to a decree of divorce or of separate maintenance or pursuant to a written instrument incident to such divorce or separation; and

“(21) Transfers by an entity described in paragraph (3) of this section of a lease or ground rent for a term (including renewals) that is at least 30 years.”.

Note, Repeal  
§§ 47-905, 47-  
906, 47-908,  
47-909  
Note,  
§ 47-914

(p) Section 47-903 is amended as follows:

(1) Subsection (b) is amended to read as follows:

“(b)(1) Each such deed shall be accompanied by a return in such form as the Chief Financial Officer may prescribe, executed by all parties to the deed, setting forth the consideration for the deed or debt secured by the deed, and such other information as the Chief Financial Officer may require.

Note, Repeal  
§ 47-915

Note,  
§ 47-916  
Note, Repeal  
§ 47-920, 47-  
921, 47-922  
Note,  
§ 47-1002

“(2) The return shall be an integral part of the deed when prescribed and as required by regulation.

“(3) The return shall not be confidential or subject to the provisions of §§ 47-1805.04 and 47-4406, unless otherwise provided by regulation.”.

(2) The second sentence of subsection (c) is amended to read as follows: "Notwithstanding the foregoing, the United States or the District governments shall not be jointly and severally liable with the transferor.”.

(3) Subsection (d) is amended to read as follows:

“(d) The deed and accompanying return shall be due as prescribed in § 47-1431(a) for

the recordation of a deed; provided, that if the deed and return are submitted to the Recorder of Deeds before the due date, the return shall be due and taxes shall be due and owing at the time of submission.”.

(q) Sections 47-905, 47-906, 47-908, and 47-909 are repealed.

(r) Section 47-914 is amended by striking the phrase “Mayor under the provisions of § 47-908” and inserting the phrase “Chief Financial Officer” in its place.

Note,  
§ 47-1005.01

(s) Section 47-915 is repealed.

(t) Section 47-916 is amended by striking the phrase “Mayor” and inserting the phrase “Chief Financial Officer” in its place.

(u) Sections 47-920, 47-921 and 47-922 are repealed.

(v) Section 47-1002 is amended as follows:

(1) Paragraph (1) is amended to read as follows:

“(1) Property belonging to the United States, unless the taxation of same has been authorized by Congress;”.

(2) Paragraph (2) is amended to read as follows:

“(2) Property belonging to the District of Columbia and used for governmental purposes (as determined by the Chief Financial Officer), unless otherwise provided by law;”.

(3) Paragraph (4) is repealed.

(4) Paragraph (20)(B) is amended by striking the phrase “Department of Revenue shall prescribe, such property shall be subject to the provisions of § 47-1301 et seq.” and inserting the phrase “Chief Financial Officer shall prescribe, the property shall be subject to the provisions of Chapter 13, and the payment in lieu of taxes shall be deemed a delinquent real property tax from the day it was due and not paid for purposes of the real property tax sale.” in its place.

(w) Section 47-1005.01 is amended as follows:

(1) Subsection (b) is amended to read as follows:

“(b) If real property (or a portion thereof), which is exempt or immune from real property taxation under § 47-1002(1) through (3) or the law of the United States or the District of Columbia, is leased, loaned, or otherwise made available to any person in connection with a business or as a residence, or both, and the use is not for an exempt or immune purpose and the person is not exempt or immune from income taxation under the law of the United States or District of Columbia, the leasehold interest, possessory interest, beneficial interest, or beneficial use of the lessee or user of the real property shall be assessed and taxed. The Chief Financial Officer shall determine the assessed value of the interest or use in accordance with § 47-820(a)(3) as if the lessee or user of the real property were the owner of the real property and the real property were not exempt or immune from taxation; provided, that the taxable value may be adjusted by the Chief Financial Officer to reflect the duration of the interest or use remaining; provided further, that the Chief Financial Officer may impute a duration of the interest or use based upon the intent, actions, and policies of the parties to the conveyance, the history of the real property, the perception of third parties, and written documents.”.

Note,  
§ 47-1007

Note,  
§ 47-1010

Note,  
§ 47-1050

**ENROLLED ORIGINAL**

(2) Subsection (d) is amended to read as follows:

“(d) The provisions of § 47-831 shall apply in the case where a leasehold interest, possessory interest, beneficial interest, or beneficial use has escaped or been omitted from assessment and taxation, or the assessment has been made void.”.

(3) A new subsection (h) is added to read as follows:

“(h) The rate of tax under § 47-812, for the applicable classification under § 47-813 determined according to the use of the leased or loaned real property, shall be applied to the assessed value for purposes of the tax levy.”.

(x) Section 47-1007(a) is amended by striking the phrase “April 1” wherever it appears and inserting the phrase “April 2” in its place.

(y) Section 47-1010 is amended by striking the word “Mayor” and inserting the phrase “Chief Financial Officer” in its place.

Note,  
§ 47-1303.04

(z) Section 47-1050 is amended as follows:

(1) Subsection (a) is amended by striking the word "furnishings" and inserting the phrase "personal property" in its place.

(2) Subsection (b) is amended by striking the phrase "The property tax abatement" and inserting the phrase "For property tax years beginning in 2003, the property tax abatement" in its place.

(3) New subsections (c) and (d) are added to read as follows:

"(c) The Mayor shall make the annual certification required by subsection (b) of this section on or before June 30 prior to the property tax year for which the property tax abatement shall be effective. The certification shall be made for a prior 12-month period which the Mayor shall designate by regulation. If the Mayor fails to issue a certification stating whether or not there has been compliance, the certification of compliance shall be deemed to have been made.

"(d) Within 60 days after the effective date of the Tax Clarity and Recorder of Deeds Emergency Act of 2002, signed by the Mayor on July 23, 2002 (D.C. Act 14-456; 49 DCR 8107), the Mayor shall submit proposed regulations to implement the certification process provided for under subsection (b) of this section to the Council for a 45-day period of review, not including Saturdays, Sundays, legal holidays, or periods of Council recess. The Council may approve the proposed regulations in whole or in part. If the Council has not approved or disapproved the regulations upon expiration of the 45-day review period, the regulations shall be deemed approved."

Note,  
§ 47-1321

Note,  
§ 47-1334

(aa) Section 47-1303.04(i) is amended by adding new paragraphs (4) and (5) to read as follows:

Note,  
§ 47-1335

“(4) If a transferee does not certify the amount required to redeem his interest in the real property within 30 days of written demand by the Chief Financial Officer and subsequently permit any person to redeem, the District shall accept a reasonable redemption payment (as determined by the Chief Financial Officer), the liens held by the transferee shall be forfeited to the District and deemed satisfied, and evidence of the forfeiture and satisfaction shall be filed at the Recorder of Deeds by the Chief Financial Officer.

Note,  
§ 47-1340

Note,

**ENROLLED ORIGINAL**

“(5) A transferee (other than the District, an instrumentality thereof, or other entity in which the District is the equitable owner or beneficiary) shall begin proceedings before October 1, 2002 to foreclose upon the liens so transferred and shall actively pursue such proceedings. Failure to timely begin or actively pursue the proceedings shall cause a reversion of all interests in the liens to the District and the interests of the transferee shall be forfeited to the District. In the event of such reversion and forfeiture, the District shall file with the Recorder of Deeds an instrument evidencing such reversion and forfeiture of interests.”. § 47-1341

(bb) Section 47-1321 is amended by striking the word “Mayor” and inserting the phrase “Chief Financial Officer” in its place. Note, New § 47-1342.01

(cc) The table of contents for Chapter 13A is amended by adding the section designation “47-1342.01. Bad check; real property deemed bid off to District.” after the section designation “47-1342. Public notice; costs.”.

(dd) Section 47-1334 is amended by striking the phrase “18% per year” and inserting the phrase “1.5% per month or portion thereof” in its place. Note, § 47-1346

(ee) Section 47-1335 is amended by striking the word “Mayor” and inserting the phrase “Chief Financial Officer” in its place. Note, § 47-1347

(ff) Section 47-1340 is amended by adding a new subsection (h) to read as follows: Note, § 47-1348

“(h) When a tax is certified by a taxing agency to the agency designated under § 47-1332(b), the designated agency may charge an amount not to exceed 10% of the redemptive value of the tax, to be retained by the designated agency as compensation for the use of its resources. Charges collected under this subsection shall be deposited into the Recorder of Deeds Automation and Infrastructure Improvement Fund under § 42-1214.”. Note, § 47-1353

(gg) Section 47-1341 is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Strike the phrase “amount of taxes due” and insert the phrase “amount of taxes due (whether included in the actual notice or by attached tax bill).”

(B) Strike the word “following” and insert the phrase “following, or be similar thereto” in its place.

(2) Subsection (c) is amended by striking the word “delinquency” and inserting the phrase “delinquency (if mailed)” in its place.

(hh) A new section 47-1342.01 is added to read as follows:

“Whenever payment by check or other instrument on behalf of a real property is received prior to the tax sale, and the payment is refused by the drawee or the funds are not collected by the District, and, due to the tender of payment, the real property is not presented at the tax sale, the real property shall be deemed bid off to the District under § 47-1352 and may be subsequently sold under § 47-1353.”.

(ii) Section 47-1346(b) is amended by striking the phrase “deposit the greater of \$100 or” and inserting the phrase “have on deposit” in its place.

(jj) Section 47-1347 is amended by striking the phrase “the deposit” and inserting the phrase “20% of the deposit” in its place.

(kk) Section 47-1348(c) is amended as follows:

(1) Strike the phrase “in substantially” and insert the phrase “similar to” in its place.

(2) Strike the phrase “(To be followed by acknowledgment)”.

(ll) Section 47-1353 is amended as follows:

(1) Strike the word “Mayor” wherever it appears and insert the phrase “Chief Financial Officer” in its place.

(2) Subsection (a) is amended as follows:

(A) Paragraph (1)(B) is amended by striking the word “or”.

(B) Paragraph (2) is amended by striking the phrase “purchaser.” and inserting the phrase “purchaser; or” in its place.

(C) A new paragraph (3) is added to read as follows:

“(3)(A) Transfer the entire or partial interest of the District for any amount of consideration (whether bid off or not) and issue to the purchaser a certificate of sale (or cancel a pre-existing certificate of sale issued to the District and reissue a combined certificate of sale to the purchaser); provided, that:

“(i) The real property shall have been bid off under this chapter at least once for a period of taxes so transferred;

“(ii) The purchaser shall be the District, an instrumentality of the District (or a subsidiary thereof), or a corporation not organized for profit and exempt from income taxation under section 501(c)(3) of the Internal Revenue Code of 1986, approved October 26, 1986 (68A Stat. 163; 26 U.S.C. § 501(c)(3)); and

“(iii) The instrumentality, subsidiary thereof, or corporation shall rehabilitate an existing improvement on the real property, construct a new improvement on the real property, or otherwise dispose of the real property for the purposes of improving a neighborhood generally or in the best interests of the District.

Note,  
§ 47-1354

“(B) The Chief Financial Officer may accept as payment a promissory note in the amount of the taxes owed and accrued under this chapter or other, which note shall be paid on resale of the real property; provided, that if the real property shall be sold for less than its fair market value, the consent of the Chief Financial Officer for the discounted sale shall have been obtained.

Note,  
§ 47-1361

Note,  
§ 47-1363

“(C) Notwithstanding § 47-1331, the Chief Financial Officer may subordinate and determine the priority of the taxes to be paid under the promissory note to permit the rehabilitation, new construction, or disposition, and the promissory note shall be paid upon re-sale to the extent of the proceeds available.

“(D) Notwithstanding subsection (d) of this section, if a redemption occurs, the promissory note shall be satisfied prior to the disbursement of an amount to the instrumentality, subsidiary thereof, or corporation; provided, that the promissory note may subordinate the taxes to any costs and expenses incurred by the instrumentality, subsidiary thereof, or corporation.

“(E) The provisions of Chapter 8 of Title 10 shall not apply to real property acquired by the District or an instrumentality of the District (or a subsidiary thereof) under this paragraph. Real property acquired by the District or an instrumentality of the District (or a subsidiary thereof) under this paragraph may be sold by the Mayor only, or with the Mayor’s consent. The approval of the Council shall not be required for the sale of the real property.”.

(3) Subsection (b) is amended by striking the phrase “subsection (a) of this section or § 47-414” and inserting the phrase “subsection (a)(1) of this section” in its place.

(mm) Section 47-1354(a) is amended as follows:

(1) Strike the phrase “pay the taxes” and insert the phrase “pay other taxes” in its place.

(2) Strike the phrase “sold or bid off” and insert the phrase “validly sold” in its place.

Note,  
§ 47-1372

(nn) Section 47-1361(a)(1) is amended by striking the word “thereon” and insert the phrase “thereon;” in its place.

(oo) Section 47-1363 is amended as follows:

(1) The existing text is designated as a new subsection (a).

(2) Newly designated subsection (a) is amended as follows:

(A) Strike the word “District” wherever it appears and insert the phrase “District or instrumentality thereof” in its place.

(B) Strike the word “Mayor” wherever it appears and insert the phrase “Mayor or instrumentality of the District” in its place.

Note,  
§ 47-1380

(C) A new sentence is added to read as follows:

“The Mayor or an instrumentality of the District shall not be subject to the expiration of a waiting period or other period before making improvements to the real property. To redeem the vacant or abandoned real property, the person redeeming shall pay the District or instrumentality thereof for the reasonable value of all improvements made by the District or instrumentality thereof to the real property.”.

Note,  
§ 47-1382

(3) A new subsection (b) is added to read as follows:

“(b) Notwithstanding subsection (a) of this section, the purchaser of a real property at a tax sale shall not have:

“(1) Any rights at law or in equity if the Mayor or instrumentality of the District razes improvements, abates nuisances or environmental infractions, or corrects unsafe conditions, and imposes a fine therefor which may be a lien upon the real property, until the right of redemption has been finally foreclosed under the provisions of subchapter IV of this Chapter; or

Note,  
§ 47-1431

“(2) Standing to enjoin, or recourse against the District or instrumentality thereof for, the imposition of fines due to noncompliance of the real property or owner thereof with any law of the District or the United States of America.”.

Note,  
§ 47-1433

(pp) Section 47-1372(a)(1) is amended by adding a new subparagraph (C) to read as

follows:

“(C)(i) A purchaser of the real property, or an assignee of a certificate of sale, if the purchaser has recorded the certificate of sale and any assignee has recorded the assignment, as prescribed by § 47-1350, within 4 months after the date of sale to the plaintiff; provided, that the purchaser or assignee shall file an attachment with the certificate of sale or assignment indicating his mailing address; provided further, that the assignee shall file the certificate of sale if the certificate was not filed by the purchaser.

Note, New § 47-1802.04

“(ii) Foreclosure of the right of redemption shall not extinguish the amount to which the purchaser or assignee is entitled under this chapter.”.

Note, § 47-1805.02

(qq) Section 47-1380 is amended by adding a new subsection (d) to read as follows:

“(d) Notwithstanding any other provision of this section, if the Superior Court finds fraud on the part of the purchaser and the real property is not redeemed because of an undue hardship to the owner, the Superior Court shall set aside the sale.”.

(rr) Section 47-1382 is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Paragraph (2) is amended by striking the word “and” at the end.

(B) Paragraph (3) is amended by striking the phrase “property.” and inserting the phrase “; and” in its place.

(C) A new paragraph (4) is added to read as follows:

“(4) An instrument securing payment of a promissory note executed under § 47-1353(a)(3).”.

(2) Subsection (b) is amended by striking the phrase “§ 47-1353(b)” and inserting the phrase “§ 47-1353(a)(3) or (b)” in its place.

Note, § 47-2005

(ss) Section 47-1431(a) is amended by striking the phrase “is transferred” and inserting the phrase “, is transferred” in its place.

(tt) Section 47-1433(c) is amended to read as follows:

“If a person fails to record the deed or other document, as required by § 47-1431, there shall be imposed on the person an additional penalty in the amount of \$250. The penalty provided herein shall not be imposed if the deed or other document is a security instrument.”.

Note, Repeal § 47-2008 Note, 47-2023

(uu) The table of contents for Chapter 18 is amended by adding the section designation “§ 47-1802.04. Political organizations.” after the section designation “47-1802.03. Same - Applicability of provisions.”.

Note, § 47-3502

(vv) A new section § 47-1802.04 is added to read as follows:

“§ 47-1802.04. Political organizations.

“The income of every political organization subject to tax under section 527 of the Internal Revenue Code of 1986 shall be taxed in the same manner and to the same extent as income of a corporation is taxed under subchapter VII of this Chapter.”.

(ww) Section 47-1805.02 is amended as follows:

Note, § 47-3504

(1) Section 47-1805.02(5)(C)(i) is amended by striking the word "excluding" and inserting the word "including" in its place.

**ENROLLED ORIGINAL**

(2) Paragraph (7A) is amended to read as follows:

“(7A) *Exempt organizations.* - Every organization exempt from tax under § 47-1802.01 that has unrelated business income subject to tax under section 511 of the Internal Revenue Code of 1986 or income subject to tax under section 527 of the Internal Revenue Code of 1986.”.

(3) A new paragraph (7B) is added to read as follows:

“(7B) *Political organizations.* -Every political organization that has income subject to tax under section 527 of the Internal Revenue Code of 1986.”.

Note, New  
§ 47-3508

(xx) The table of contents for Chapter 20 is amended by striking the section designation “47-2008. Rules and regulations.” and inserting the section designation “47-2008. Repealed.” in its place.

Note,  
§ 47-4110

(yy) Section 47-2005 is amended as follows:

(1) Paragraph (12) is repealed.

Note,  
§ 47-4211

(2) A new paragraph (34) is added to read as follows:

“(34) Sales by the United States or the District, as fixed by regulation.”.

(zz) Section 47-2008 is repealed.

(aaa) Section 47-2023 is amended by striking the word “Mayor” and inserting the phrase “Chief Financial Officer” in its place.

(bbb) The table of contents for Chapter 35 is amended by adding the section designation “47-3508. Regulations.” after the section designation “47-3507. Certification of program providing low income rental housing.”.

Note,  
§ 47-4215

(ccc) Section 47-3502 is amended as follows:

(1) Subsection (a)(1) is amended by striking the word "household" and inserting the phrase “household of the first-time home buyer” in its place.

Note,  
§ 47-4221

(2) A new subsection (c) is added to read as follows:

“(c) This section shall not apply if the fair market value of the unit or residential property exceeds \$250,000 as of the date that the application for exemption is filed.”.

(ddd) Section 47-3504 is amended by adding new subsections (g) and (h) to read as follows:

Note,  
§ 47-4222

“(g) If the household which is exempt under this chapter no longer qualifies under the income limitations set forth under § 47-3502, the Chief Financial Officer shall rescind the exemption as of the first full tax year following the date the household ceased to continue to qualify for the exemption. The real property tax shall be owed in the same manner as real property tax is owed for an erroneous or improper homestead deduction under § 47-850.02(c).

“(h) The Chief Financial Officer may contract with a collection agency to determine the eligibility or continued eligibility for the exemption granted under this chapter in the same manner and to the same extent as provided under § 47-850.02(d) for homestead deduction audits.”.

Note,  
§ 47-4301

(eee) A new section 47-3508 is added to read as follows:

“The Chief Financial Officer may promulgate regulations to carry out the purposes of this

Note,  
§ 47-4304

chapter.”.

(fff) Section 47-4110 is amended by striking the word “Mayor” and inserting the phrase “Chief Financial Officer” in its place. Note,  
§ 47-4310

(ggg) Section 47-4211(a) is amended as follows:

(1) Paragraph (2) is amended by striking the phrase “400% or more greater or less than” and inserting the phrase “greater than or equal to 400%, or less than or equal to 25%, of” in its place. Note,  
§ 47-4405

(2) Paragraph (4) is amended by striking the phrase “200% or more greater or less than” and inserting the phrase “greater than or equal to 200%, or less than or equal to 50%, of” in its place. Note,  
§ 47-4406

(hhh) Section 47-4215(e)(1) is amended to read as follows:

“(1) The tax shown on the return for the taxable year (or, if no return is filed, the tax) reduced by applicable credits and estimated payments which are made timely, is less than \$1,000; or”. Note,  
§ 47-4423

(iii) Section 47-4221(b) is amended as follows:

(1) Paragraph (4) is amended by striking the word “and” at the end.

(2) Paragraph (5) is amended by striking the period at the end and inserting the phrase “; and” in its place.

(3) A new paragraph (6) is added to read as follows:

“(6) Failure to record timely a deed under § 47-1433.”.

(jjj) Section 47-4222(d) is amended as follows:

(1) Paragraph (2) is amended as follows:

(A) Strike the phrase “return of tax” and insert the phrase “individual income tax return” in its place. Note,  
§ 47-4461

(B) Strike the word “taxpayer” and insert the word “individual” in its place.

(2) Add a new paragraph (4) to read as follows: Note,  
§ 47-4471

“(4) This subsection shall apply only to an individual income tax return.”.

(kkk) Section 47-4301(d)(1) is amended by striking the phrase “or (C) failure to file a return” and inserting the phrase “(C) failure to file a return; or (D) filing a real property tax exemption application” in its place. Note,  
§ 42-204

(lll) Section 47-4304 is amended by adding a new subsection (e) to read as follows:

“(e) Notwithstanding subsection (a) of this section, there shall be no period of limitations if the taxpayer filed an application for a real property tax exemption on or before the date of recordation of the deed and paid the recordation tax.”. Note,  
§ 42-204

(mmm) Section 47-4310(a) is amended by striking the phrase “liability of a person” and insert the phrase “liability of a person or real property” in its place.

(nnn) Section 47-4405(c) is amended by striking the phrase “Title 45” and inserting the phrase “Title 42” in its place.

(ooo) Section 47-4406 is amended as follows:

(1) Subsection (a) is amended by striking the phrase “and (e)” and inserting the phrase “(e), and (e-1)” in its place.

(2) A new subsection (e-1) is added to read as follows:

“(e-1) The provisions of this section shall not apply to the return required by §§ 42-1103 and 47-903, unless otherwise provided by regulation.”.

NA

(ppp) Section 47-4423 is amended to read as follows:

“(a) The lien imposed by § 47-4421 shall not be valid against a bona fide purchaser for value, holder of a security interest, mechanic’s lienor, or judgment lien creditor until the lien has been filed with the Recorder of Deeds.

“(b) In the case of business property sold, transferred, or assigned in bulk other than in the ordinary course of trade or business, the purchaser shall also be deemed to have notice of taxes owing if the purchaser fails to give timely notice to the Mayor under § 47-4461.

“(c) Notwithstanding subsection (a) of this section, the lien imposed by § 47-4421 for tax owing under Chapter 20 or § 47-1812.08 shall be valid against a purchaser, holder of a security interest, mechanic’s lienor, or judgment lien creditor regardless of when the lien is filed with the Recorder of Deeds; provided, that the lien shall not be valid against a bona fide purchaser for value of homestead real property.”.

(qqq) Section 47-4461 is amended by striking the word "fixtures" and inserting the word "furnishings" in its place.

Note,  
§ 2-1219.07

(rrr) Section 47-4471(d) is amended by adding a new paragraph (4) to read as follows:

“(4) Paragraph (1) of this subsection shall not apply to a levy against an account maintained at a third-party financial institution.”.

Sec. 13. (a) The Conservation Easement Deed of Gift Clarification Amendment Act of 2002, signed by the Mayor July 3, 2002 (D.C. Act 14-403; 49 DCR 6968), is repealed.

Sec. 14. Section 5 of the District of Columbia Uniform Conservation Easement Act of 1986, effective May 16, 1986 (D.C. Law 6-113; D.C. Official Code § 42-204), is amended by adding a new subsection (e) to read as follows:

"(e)(1) The deduction of a qualified conservation contribution as claimed under section 170 of the Internal Revenue Code of 1986 shall be allowed under § 47-1803.03.

“(2) The conservation easement shall qualify as a qualified conservation contribution notwithstanding the inclusion of a provision in the easement that permits the creation of a lien on behalf of the holder of a conservation easement for the purposes of enforcing the easement, which lien does not have precedence over other lienholders, mortgagees, or holders of a deed of trust.

“(3) This subsection shall apply to all instruments recorded at the Recorder of Deeds.”.

Sec. 15. Section 2 of the Kings Court Community Garden Equitable Real Property Tax

Relief Act of 2002, effective June 25, 2002 (D.C. Law 14-165; 49 DCR 6501), is amended as follows:

(1) The existing text is designated as subsection (a).

(2) New subsections (b) and (c) are added to read as follows:

"(b) The one-time transfer of the property specified in subsection (a) of this section to the Capitol Hill Community Garden Land Trust shall not be subject to the taxes or fees under chapters 9 or 14 of Title 47 of the District of Columbia Official Code.

"(c) Upon the transfer of the property described in subsection (a) of this section to the Capitol Hill Community Garden Land Trust, the property shall be exempt from all taxation so long as the same is used in carrying out the public purposes and activities of the Capitol Hill Community Garden Land Trust, and not used for commercial purposes and subject to the provisions of §§ 47-1005, 47-1007, and 47-1009."

**Sec. 16. Applicability.**

Section 3 shall apply as of June 25, 2001.

**Sec. 17.** The Council adopts the attached fiscal impact statement as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

**Sec. 18. Effective date.**

(a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the

District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

---

Chairman  
Council of the District of Columbia

---

Mayor  
District of Columbia